

ARIZONA DEPARTMENT OF WATER RESOURCES

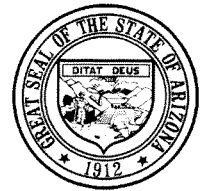
Office of Assured and Adequate Water Supply

3550 North Central Avenue, Phoenix, Arizona 85012

Telephone 602 771-8500

Fax 602 771-8689

August 25, 2006



Janet Napolitano
Governor

Herbert R. Guenther
Director

Mr. Roy Tanney
Arizona Department of Real Estate
2910 N. 44th Street
Phoenix, Arizona 85018

Water Adequacy Report #22-4022600000
Subdivision Name: Sunny Lakes Ranchos Unit 1
Owner: Sunny Lakes Ranchos, LLC and Flannery & Allen, LLC
Number of lots: 546
County: Mohave
Township 28 N **Range** 20 W **Section** 13

Water provided by: None - Dry Lots
Water Type: Groundwater

Current water depth: No Information provided
Estimated 100-year depth: No Information provided
Current decline rate: No Information provided
Basin: Detrital Valley

Dear Mr. Tanney:

Pursuant to A.R.S. § 45-108, the Department of Water Resources has reviewed the available information pertaining to the water supply for the above-referenced subdivision. This letter constitutes the Department's report on the subdivisions water supply as required by A.R.S. § 45-108(A).

Adequacy of the 100-year water supply was reviewed by the Department with regard to physical, legal and continuous availability, and to determine if the water supply is of adequate quality. No information has been provided to the Department that indicates that the applicant has satisfied the adequate water supply requirements as set forth in A.A.C. R12-15-715 *et seq.* Therefore, the Department of Water Resources finds the water supply to be inadequate to meet the subdivision's projected needs.

Pursuant to A.R.S. §32-2181.F. a summary of the Department's report for those with an inadequate water supply be included in all promotional material and contracts for sale of lots in the subdivisions. We suggest the following synopsis:

"Sunny Lakes Ranchos Unit 1 subdivision lots 28-31, 34-48, 50-74, 80-100, 105-126, 132-154, 159-391, 393-413, 426, 428, 432, 437-582 and 49, 75-77, 102-104, 127-131, 155-158, 416-427, 430-434 are being served groundwater by individual wells in a dry lot subdivision. The developer has chosen not to demonstrate a 100-year adequate water supply. The criteria for physical, legal and continuous availability as set forth in A.A.C. R12-15-717 were not demonstrated, and proof of adequate water quality, as set forth in A.A.C. R12-15-718 was not provided. Therefore the Department must find the water supply to be inadequate. For additional information please contact the Arizona Department of Water Resources at (602) 771-8585."

The developer, pursuant to A.R.S. §32-2181.F., may suggest a different summary of this report, but it must contain the above elements and/or the Department's findings. Any change to the above subdivision or water supply plans may invalidate this decision.

This letter is being forwarded to your office as required by A.R.S. § 45-108. This law requires the developer to hold the recordation of the subdivision's plat until receipt of the Department's report on the subdivision's water supply. By copy of this report, the Mohave County Recorder is being officially notified of the developer's compliance with the law.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Putman".

Frank Putman
Assistant Director

FP/CS/ef
700364

cc: Mohave County Planning and Zoning
Mohave County Recorder
Mark Prasse
Carlane Stephan, ADWR